SENATE BILL 463 (LRB -3912)

An Act to	amen	d 62.63 (3) of the statutes; relating to: investment of funds by the City of Milwaukee Employes' Retirement	
System. (F			
2005			
01-27.	S.	Introduced by Senators Darling and Plale; cosponsored by Representatives Fields, Hahn, Richards, Sinicki, Towns, Townsend, Young, Cullen and Grigsby.	
12-01.	S.	Read first time and referred to committee on Housing and Financial Institutions	460
12-12.	S.	Fiscal estimate received.	
2006			
01-25.	S.	Public hearing held.	
01-27.	S.	Executive action taken.	
01-31.	S.	Report passage recommended by committee on Housing and Financial Institutions, Ayes 7, Noes 0	565
01-31.	S.	Available for scheduling.	
02-16.	S.	Placed on calendar 2-21-2006 by committee on Senate Organization.	
02-17.	S.	Senator Carpenter added as a coauthor.	
02-21.	S.	Read a second time.	
02-21.	S.	Ordered to a third reading.	
02-21.	S.	. Rules suspended.	
02-21.	S.	Read a third time and passed.	
02-21.	S.	Ordered immediately messaged.	
02-23.	A.	Received from Senate	. 842
02-23.	A.	Read	842
02-23.	A.	Rules suspended and taken up	. 842
02-23.	A.	Kead a second time	- VA
02-23.	A.	Ordered to a third reading	. 842
02-23.	A.	Ordered to a third reading Rules suspended	. 842
02-23.	- A.	Read a third time and concurred in	. 842
02-23.	A.	Ordered immediately messaged	. 842
02-23.		Received from Assembly concurred in.	



2005 ENROLLED BILL

5 copies

05en 5B-463

ADOPTED DOCUMENTS: Orig Engr SubA	Amdt
Amendments to above (if none, write "N	10NE"): _ √one
Corrections – show date (if none, write	"NONE"):
opic <u>Rel</u>	
2/27/0	6 8Rmlez
Date	Enrolling Drafter
LECTRONIC PROCEDURE: Follow automatic or manual enroll Guide, Document Specific Procedu	ling procedures in <i>TEXT2000 Reference</i> ures, Ch. 20, Engrossing and Enrolling
DISTRIBUTION:	
HOUSE OF ORIGIN:	DEPARTMENT OF ADMINISTRATION: • 2 copies
 11 copies plus bill jacket Secretary of State's envelope containing 4 copies plus newspaper notice 	LRB: Drafting file original Drafting attorney 1 copy
REVISOR OF STATUTES:	Legislative editors 1 copy each Reference section 1 copy

[rev: 1/13/05 2005enroll(fm)]

2005 SENATE BILL 463

December 1, 2005 – Introduced by Senators Darling and Plale, cosponsored by Representatives Fields, Hahn, Richards, Sinicki, Towns, Townsend, Young, Cullen and Grigsby. Referred to Committee on Housing and Financial Institutions.

- 1 AN ACT to amend 62.63 (3) of the statutes; relating to: investment of funds by
- the City of Milwaukee Employes' Retirement System.

Analysis by the Legislative Reference Bureau

Current law restricts the manner in which the City of Milwaukee Employes' Retirement System (CMERS) may invest its funds. This bill authorizes CMERS to invest funds of the system in the manner provided under the Uniform Prudent Investor Act, which took effect in Wisconsin on April 30, 2004.

Generally, under the Uniform Prudent Investor Act, a fiduciary must do all of the following:

- 1. Invest and manage assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the estate, trust, conservatorship, or guardianship.
- 2. Evaluate investment and management decisions about individual assets, not in isolation but in the context of the portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the estate, trust, conservatorship, or guardianship.
- 3. Consider a number of specific circumstances relevant to the estate, trust, conservatorship, or guardianship or its beneficiaries.
- 4. Make a reasonable effort to verify facts relevant to the investment and management of assets.

SENATE BILL 463

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Section 1. 62.63 (3) of the statutes is amended to read:

62.63 (3) Investment of retirement funds. The board of a retirement system of a 1st class city, whose funds are independent of control by the investment board, may invest funds from the system, in excess of the amount of cash required for current operations, in loans, securities and any other investments authorized for investment of funds of the public employee trust fund under s. 25.17 (3) (a) and (4). The independent retirement system board is subject to the conditions imposed on the investment board in making the investments under s. 25.17 (3) (e) to (g), (4), (7), (8) and (15) but is exempt from the operation of ch. 881. In addition to all other authority for the investment of funds granted to the board of a retirement system of a 1st class city whose funds are independent of the control of the investment board, the retirement system board of the city may invest its funds in accordance with s. 206.34, 1969 stats. In making investments under this subsection, the board of a retirement system of a 1st class city may invest in shares of investments authorized under this subsection the same manner as is authorized for investments under s. 881.01.